

Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 06929 210151 Z

72

ACTION EUR-25

INFO OCT-01 EA-11 NEA-10 IO-12 ADP-00 SSO-00 CCO-00 INRE-00

AID-20 CEA-02 CIAE-00 COME-00 EB-11 FRB-02 INR-09

NSAE-00 RSC-01 OPIC-12 TRSE-00 CIEP-02 LAB-06 SIL-01

SAL-01 OMB-01 SS-14 NSC-10 PA-03 PRS-01 USIE-00 RSR-01

/156 W

----- 105896

O 210039 Z MAR 73 ZFF-4

FM USMISSION OECD PARIS

TO SECSTATE WASHDC IMMEDIATE 9112

INFO USMISSION EC BRUSSELS UNN IMMEDIATE

AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY HELSINKI

AMEMBASSY LISBON

AMEMBASSY LONDON

USMISSION USNATO

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY VIENNA

AMEMBASSY WELLINGTON

USMISSION GENEVA

USMISSION USUN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 06929 210151 Z

LIMITED OFFICIAL USE OECD PARIS 6929

ECOTO 15

E.9. 11652: N/ A

TAGS: EFIN, OVIP, OECD (CASE, WILLIAM J.)

SUBJECT: EXECUTIVE COMMITTEE " NEW STYLE" -- INVESTMENT ISSUES

REFS: (A) CE(73)6 (B) USOECD 6789

1. SUMMARY. XCNS AGREED TO CONTINUE DISCUSSION OF INTERNATIONAL INVESTMENT AND OF MULTINATIONAL CORPORATIONS WITH SPECIAL REFERENCE TOWARD PROBLEMS CONNECTED WITH INTERNATIONAL TRADE AND ECONOMIC DEVELOPMENT. DISCUSSION IS TO BE BASED ON NEW SECRETARIAT DOCUMENT (ALTERNATIVE TO PROPOSED AD HOC GROUP STUDY), WHICH WILL BE DIRECTED TOWARD QUESTIONS TO BE GIVEN PRIORITY TREATMENT THIS FIELD. IN THIS CONTEXT, SCNS ALSO UNBLOCKED 1972 PROPOSAL THAT COUNCIL CONSIDER BETTER COORDINATION OF ONGOING OECD ACTIVITIES RE MNC' S. END SUMMARY.

2. XCNS AGREED TO ASK SECRETARIAT, IN CONSULTATION WITH MEMBER GOVERNMENTS, TO PREPARE PAPER ON QUESTIONS TO BE GIVEN PRIORITY TREATMENT REGARDING (A) PROBLEMS CONCERNING INTERNATIONAL INVESTMENT, PARTICULARLY THOSE CONNECTED WITH INTERNATIONAL TRADE AND ECONOMIC DEVELOPMENT, AND (B) PROBLEMS SPECIFIC TO MULTINATIONAL ENTERPRISES, AS INDICATED IN PARAS 73, 75, 76, AND 77 OF REF (A). PAPER WOULD BE BASIS FOR DISCUSSION AT FUTURE SCNS MEETING. SCNS REJECTED PROPOSAL (PARA 80, REF A) TO ESTABLISH AD HOC GROUP AT THIS TIME AND DID NOT ADDRESS SELF TO QUESTION OF THE REVIEW WHICH AD HOC GROUP WAS TO CONDUCT OF RELEVANT OECD PROCEDURES AND PROGRAMS.

3. PROCEDURAL DECISION CAME AT CONCLUSION OF EXTENDED DEBATE IN WHICH MOST COUNTRIES AGREED ON IMPORTANCE OF ISSUES AND ON NEED FOR MORE ANALYSIS. (INITIAL U. S. INTERVENTION IS IN REF B.) THERE WAS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 06929 210151 Z

WIDE DIVERGENCE ON SCOPE, FOCUS AND SPEED EXAMINATION SHOULD TAKE AT THIS STAGE. SOME COUNTRIES INTERESTED IN DIRECT INVESTMENT, WHILE OTHERS STRESSED SHORT- TERM CAPITAL FLOW PROBLEM AND STILL OTHERS EMPHASIZED MACRO- ECONOMIC ASPECTS. MANY WERE HESITANT TO COMMIT THEMSELVES TO ANY FIRM WORKING ABJECTIVE AND ASKED FOR MORE DATA FROM SECRETARIAT.

4. OTHER DELS THOUGHT SOME FOCUS WAS NECESSARY, AND SEC GEN PLEADED INABILITY OF SECRETARIAT TO PRODUCE WIDE- RANGING PAPER AND COMPREHENSIVE DATA WITHIN REASONABLE TIME. U. S. REP (UNDER SECRETARY CASEY) SUGGESTED FOCUS ON TRADE AND DEVELOPMENT ASPECTS OF DIRECT INVESTMENTS. SEVERAL DELS (FRANCE, IRELAND, NORWAY) POINTED TO SOCIAL AND POLITICAL ASPECTS OF IMPORTANCE.

5. U. S. AND SEVERAL OTHERS FAVORED SETTING ASIDE QUESTION OF MOBILE CAPITAL FLOWS (PART II OF REF A), WHICH IS ADDRESSED IN ANY CASE IN EPC WP3 AND C-20. SEVERAL DELS REFERRED TO BALANCE OF PAYMENTS AS AN ASPECT OF PRINCIPAL IMPORTANCE, AND SWITZERLAND POINTED TO DANGER SUCH FLOWS WILL DISCREDIT LIBERAL APPROACH TO INVESTMENT. SUBJECT IS NOT SPECIFICALLY MENTIONED IN AGREED CHAIRMAN' S SUMMARY. FORMULATION USED, HOWEVER, LAYS STRESS ON RELATIONSHIP OF INVESTMENT TO INTERNATIONAL TRADE AND DEVELOPMENT.

6. CLEAR DIFFERENCES AROSE ON QUESTION OF HANDLING MULTINATIONAL CORPORATIONS. U. S. AGREED INTENSIFIED EXAMINATION OF ROLE OF MNC' S WAS DESIRABLE, BUT
E
E E E E E E E

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973OECDP06929
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: CORE6
Film Number: n/a
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730335/aaaaieao.tel
Line Count: 146
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: USOECD 6789
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 15 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15-Aug-2001 by izenbei0>; APPROVED <01-Oct-2001 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 971219; srp 971219
Subject: EXECUTIVE COMMITTEE " NEW STYLE" -- INVESTMENT ISSUES
TAGS: EFIN, OVIP, OECD, (CASE, WILLIAM J.)
To: EUR
SECSTATE WASHDC INFO ANKARA
ATHENS
BERN
MULTIPLE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

